

104TH CONGRESS  
2D SESSION

# S. RES. 277

To express the sense of the Senate that, to ensure continuation of a competitive free-market system in the cattle and beef markets, the Secretary of Agriculture and Attorney General should use existing legal authorities to monitor commerce and practices in the cattle and beef markets for potential antitrust violations, the Secretary of Agriculture should increase reporting practices regarding domestic commerce in the beef and cattle markets (including exports and imports), and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 9, 1996

Mr. CRAIG (for himself, Mr. BAUCUS, Mr. PRESSLER, Mr. BURNS, Mr. GRASSLEY, Mr. DOMENICI, Mr. THOMAS, Mr. KEMPTHORNE, and Mr. BOND) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry

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## RESOLUTION

To express the sense of the Senate that, to ensure continuation of a competitive free-market system in the cattle and beef markets, the Secretary of Agriculture and Attorney General should use existing legal authorities to monitor commerce and practices in the cattle and beef markets for potential antitrust violations, the Secretary of Agriculture should increase reporting practices regarding domestic commerce in the beef and cattle markets (including exports and imports), and for other purposes.

Whereas historically high cattle supplies, low cattle prices,  
and high feed costs have brought hardship to United  
States cattle producers: Now, therefore, be it

1       *Resolved,*

2       **SECTION. 1. MONITORING AND EVALUATION OF ANTI-**  
3                               **TRUST RELATED ISSUES.**

4       It is the sense of the Senate that the Secretary of  
5       Agriculture and the Attorney General should—

6               (1) increase monitoring of mergers and acquisi-  
7               tions in the fed and nonfed beef packing sectors for  
8               potential antitrust violations; and

9               (2) investigate possible barriers to entry or ex-  
10              pansion in the beef packing sector.

11       **SEC. 2. COLLECTION AND REPORTING FUNCTIONS.**

12       It is the sense of the Senate that the Secretary of  
13       Agriculture should—

14              (1) to the extent practicable on a regional basis,  
15              improve the collection, timeliness, and reporting of—

16                      (A) contract, formula, and live cash cattle;

17                      (B) captive supply cattle, including a defi-  
18                      nitional change from every 14 to every 7 days;

19                      (C) boxed beef prices;

20                      (D) price differentials within Department  
21                      of Agriculture quality grades;

22                      (E) all beef and live cattle exports and im-  
23                      ports; and

1 (F) weekly fed cattle value matrix; and

2 (2) cooperate with the industry to improve col-  
3 lection and reporting of—

4 (A) retail scanner data to develop a retail  
5 price series that reflects both volume and price  
6 of all beef sold at retail; and

7 (B) price and quantity data for United  
8 States beef sold for consumption in the away-  
9 from-home market.

10 **SEC. 3. SELF-REGULATION WITHIN THE PRIVATE SECTOR.**

11 It is the sense of the Senate that—

12 (1) in the case of cattle that are not sold on a  
13 live cash basis, a “grid” pricing structure should be  
14 utilized to determine prices and spreads through  
15 competitive bidding not more than 7 days prior to  
16 shipment; and

17 (2) agricultural lenders should consider the  
18 total asset portfolio, instead of merely the cash flow,  
19 of an entity participating in the cattle and beef mar-  
20 kets when evaluating loan performance.

21 **SEC. 4. INTERNATIONAL BARRIERS TO TRADE.**

22 It is the sense of the Senate that—

23 (1) the Secretary of Agriculture should continue  
24 to identify and seek to eliminate unfair trade bar-

1        riers and subsidies affecting United States beef mar-  
2        kets;

3            (2) the United States and Canadian Govern-  
4        ments should expeditiously negotiate the elimination  
5        of animal health barriers that are not based on  
6        sound science; and

7            (3) the import ban on beef from cattle treated  
8        with approved growth hormones imposed by the Eu-  
9        ropean Union should be terminated.

10 **SEC. 5. EMERGENCY LOAN GUARANTEES.**

11        It is the sense of the Senate that funding for emer-  
12        gency loan guarantees, which assist agricultural producers  
13        who have suffered economic loss due to a natural disaster  
14        or other economic conditions, should be funded.

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